

HOUSE BILL 522

By Turner M

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, relative to sales and use tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-228, is amended by deleting the section in its entirety and by substituting instead the following:

67-6-228.

(a) Notwithstanding any provision of this part to the contrary, except as otherwise provided in subsection (b), the retail sale of food and food ingredients for human consumption shall be taxed at the rate of five and one half percent (5.5%) of the sales price. For fiscal years beginning on and after July 1, 2011, the general assembly is prohibited from increasing such rate above five and one half percent (5.5%).

(b) The retail sale of food and food ingredients sold as prepared food, alcoholic beverages, candy, dietary supplements and tobacco shall be taxed at the rate levied on the sale of tangible personal property at retail by the provisions of § 67-6-202.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.